

State of the State Address
Delivered by Governor Mel Carnahan
Wednesday, January 20, 1999

GOVERNOR CARNAHAN'S REMARKS
STATE OF THE STATE ADDRESS
1/20/99

Mr. President, Mr. Speaker, Mr. President Pro Tem, Distinguished State Officials, Members of the 90th General Assembly, and Citizens of the State of Missouri:

INTRODUCTION

Our nation hungers for heroes.

It is the nature of our spirit.

Heroes founded this land.

They built its greatness.

And now it is in the hands of the heroes of today to shape its vision for a new century.

For the ideals that inspired the American dream can only remain strong if we have the courage and commitment to expand their possibilities.

Last year the eyes of the entire world were riveted on Missouri to watch the birth of a new American hero.

The young man might have seemed to some an unlikely candidate to reach such heights.

After all, he had 20/500 vision, a bulging disk in his back, weak arches that required special shoe inserts, and had undergone three foot surgeries.

Yet at 8:18 p.m., on September 8, in St. Louis, none of those obstacles seemed important.

Mark McGwire sent the first pitch sailing over the corner of the left field wall and into the history books.

But the McGwire miracle was far from over.

By the time the season ended, Mark not only broke the record for the number of home runs hit in a single season-he demolished it.

And he did it with a humility and grace that made Missouri proud.

However, the true heroism of Mark McGwire is taking place off the field.

He is donating one million dollars for the next three years to help abused and neglected children.

The reason?

Because he wants to give something back to a world that has given him so much.

From his own success, he wants to create opportunities for others.

Throughout our state, thousands of Missourians share those goals.

They may never be in the history books, or make millions of dollars, but they are dedicated to helping others.

These are today's heroes.

It is my privilege to introduce three of these who are here with us today .

First, I would like you to meet the youngest member of our group-Ashlee Vann from Springfield.

Ashlee is a young girl with a big job.

She is only eleven, but she has been running a Kid's Café since she was nine.

Every evening, Ashlee feeds dinner to 60-70 needy children at her café.

She coordinates the entire project of preparing and serving the food, which is donated by Ozark Food Harvest.

Ashlee has three to four other people, including several adults, who work with her, and she does a great job.

Ashlee, would you please stand so we can recognize you for the work you do.

The second person I would like you to meet is Erika Lipiec from Maryville.

Erika is a high school freshman and has been actively involved in the anti-teen smoking campaign in her community for more than two years.

She has testified before her city council in support of a city youth anti-smoking program that she helped pass in 1997.

And she spoke at the Great American Smoke Out news conference last year.

Erika feels teen-age smoking is a serious problem and wants to improve the health of her generation.

Erika, we appreciate your work on behalf of the good health of Missouri citizens.

Please stand and be recognized.

Our third guest today is Laurie Sybert, who teaches second grade at Leland Mills Elementary School in Lake Ozark.

Laurie is one of those people we talk about when we say someone was "born to teach."

Her mother taught in a one-room schoolhouse and instilled in Laurie the need to go above and beyond what she thought she was capable of doing.

During her thirteen years in the classroom, Laurie has taught her students that same lesson.

Ten years ago, Laurie's ability to reach beyond her limits was tested.

She was diagnosed with MS.

Her symptoms became so bad five years ago that she could barely walk, and her doctor advised her to quit teaching.

Yet, this illness has inspired Laurie to be even more enthusiastic about her life and her work.

Today she lives each day to the fullest.

She is an outstanding example of the many excellent teachers we have in Missouri, and that is why she was selected as the 1998-99 Missouri Teacher of the Year.

Laurie, we want to show our appreciation for you and all the other Missouri educators who have dedicated their lives to preparing our young people for the future.

Please stand to be recognized.

All three of these honored guests here with us today are true Missouri heroes.

Each of them, in her own special way, is making a significant contribution to the success of our state by bettering the lives of others.

As we begin this 1999 legislative session, these Missourians should be an inspiration to all of us.

We, too, have accepted the responsibility of working on behalf of a better life for others.

Today, I come before you to ask your cooperation in working on behalf of the best interests of the people of Missouri as we prepare to meet the challenges of a new century.

ECONOMY

The foundation for our success is found in a thriving economy.

Only a few short years ago, constructing such a foundation seemed impossible.

In the early years of this decade, we were mired in a recession.

Our companies were downsizing, forcing many Missourians to seek a new job for the first time in years.

Yet today our unemployment rate is historically low.

According to the latest monthly reports, our unemployment numbers are the lowest in twenty years.

They are significantly lower than the national rate.

While Missouri's unemployment rate is holding at 3.3 percent, the national rate is 4.1.

Our aggressive approach to economic development and our landmark welfare reform efforts have made the difference.

Since 1992, we created over 350,000 new jobs and moved over 121,000 of our citizens off welfare.

We gained 382 new or expanding business operations last year alone.

This gain translates into over a billion dollars of new private investment in our state.

At the same time, Missourians are receiving a good return on their tax dollars.

By any objective measure, Missouri is a low tax, low spending state.

We are one of only nine states to receive the highly coveted Triple A bond rating from all three major bond rating agencies.

By completing a top to bottom review of government service--the first in several decades--we have further reduced waste, duplication, and bureaucracy.

We must continue to give Missourians an even better return on their investment.

TAX CUTS

Because we have nurtured such a growing economy, we have, for the first time in almost a generation, been able to give Missourians major permanent tax relief over the past few years.

In 1997, we eliminated the three percent general state sales tax on food.

These cuts give the average Missouri family the equivalent of two weeks of free groceries every year.

In 1998, we extended more tax relief to Missouri families and senior citizens.

We tripled the amount Missouri families can deduct for their dependents on their state income tax.

We expanded the property tax credit that senior and disabled citizens receive so that more Missourians on fixed incomes can stay in their homes.

And we implemented a new deduction so that those who care for elderly and disabled dependents in their homes could also receive tax relief.

In fact, since 1994, we have been able to provide Missouri families with almost 430 million dollars in permanent tax cuts.

I want to continue this good news for taxpayers.

Our robust economy this year makes it possible to offer new, meaningful tax relief.

First of all, we should increase the personal exemption that all Missourians receive on their state income tax by \$900.

This will raise each taxpayer's personal exemption to \$2,100.

Every Missouri income taxpayer will benefit from this tax cut.

Our citizens have not received an increase in this exemption since 1946.

This plan will reduce the amount of state income tax that couples pay by up to \$108 annually and give individual filers up to a \$54 tax break.

Over 200,000 more state households will not pay any state income tax at all.

We should also help Missouri businesses this year by reducing the amount they have to pay in corporate franchise tax.

The vast majority of our Missouri businesses are small, but they create most of our new jobs.

Right now, businesses have to pay this tax if they have assets of at least \$200,000.

I want to raise that threshold to one million dollars.

This tax cut would virtually eliminate the corporate franchise tax for small businesses.

The third prong of my tax relief plan is targeted at helping the self-employed in Missouri.

Currently, many of these entrepreneurs cannot afford health insurance.

By allowing our smallest businesses to deduct health insurance premiums from their adjusted gross income, we can help them purchase affordable health care for themselves and their families.

When fully implemented, these three steps will give Missourians \$191 million in new tax cuts.

And we can afford to give Missourians this reasonable tax relief without jeopardizing our investments in education, public safety, and other crucial state services.

EDUCATION

Without question, the most important thing we can do to prepare Missourians to meet the challenges of a new century is to offer a high quality education system.

From the day Missouri children are born, each experience shapes their future and the future of our state.

Because of our actions last session, Missouri families will have new opportunities to provide their children with the experiences they need in order to enter school ready to learn.

Our early childhood initiative provides thousands of Missouri children with access to affordable, quality child care so they can receive a strong start in life.

And I want to publicly thank our Missouri veterans for their help during the legislative process in getting this legislation passed.

These men and women who served in our Armed Forces to protect our generation are now helping to protect the next one through their support of new child care services for Missouri's children.

One of these new child care services that is receiving an exciting response is our "Jump Start" program.

Because of "Jump Start," Missouri parents will now have access to quality child care for their pre-school children in many of our public schools and communities.

So far, 160 sites at 124 different school districts have requested to participate in this innovative new approach to early childhood care and education.

To implement the work we began last year, my budget contains \$55.6 million for early childhood care and education.

Of course, once our children enter public school, we want them to receive the best education possible.

I am pleased to announce that for the fourth year in a row I am recommending that you act to fully fund our new, more equitable school foundation formula.

By doing so, we give students the resources they need to receive a world class education.

This new formula was a part of our Outstanding Schools Act of 1993.

It implemented numerous reforms to make both Missouri schools and students more accountable for their progress.

I believe we can do more this session in the area of school accountability by ensuring that children are mastering the basics, particularly in the early grades.

The public and employers are rightfully concerned when students are promoted from one grade to the next without acquiring the basic academic knowledge and skills they need to succeed at the next grade level.

To address their concerns, I want to allow school districts to make remedial classes a condition of promotion for those students who have not mastered the basic skills of their particular grade level.

This is especially important in the early grades where students must build a solid foundation for advanced learning.

Our proposal provides the funds to enable schools to offer this extra attention to students who need it.

Students judged to be academically deficient can be required to attend summer school classes or tutorial activities after school or on weekends.

Schools can also require parents to sign a contract pledging to conduct home-based support activities as a condition of promotion.

Under this plan, our Department of Elementary and Secondary Education will examine how well schools are improving the scores of the lowest performing students on our assessment tests.

These results will be taken into consideration when the school's accreditation status is reviewed.

School districts will also keep their patrons informed on the progress of underachieving students through their public school report card.

These actions will reinforce our emphasis on high expectations and accountability for learning.

Over the past few years, we have focused a great deal of attention on making our schools safe places for our students to attend-inside, outside, and on the bus.

For the safety of our students, I have also directed the departments of Elementary and Secondary Education and Public Safety to jointly develop a model school disaster plan.

Many of our local schools are ill prepared to handle all aspects of the natural disasters and traumatic crises that can occur such as the tragic shootings in Jonesboro, Arkansas.

By developing a model plan, school districts will have a standard to compare against their local plan to see if changes need to be made.

A statewide crisis team will be available upon the request of local school officials to offer immediate assistance in the case of any school emergencies.

We will also finish our efforts this year to wire schools to the Internet, so Missouri students will have access to information from around the world.

This year, for the first time, every school district in Missouri will have high speed access to the Internet.

Computer literacy is a vital tool for today's job seekers and will be indispensable in the workplace of the future.

Last year, we made major progress in improving access to higher education for Missourians by authorizing four new programs.

Our new Bridge Scholarships, College Guarantee Program, Advantage Missouri, and MOSTARS Higher Education Savings Fund will make it possible for more of our high school graduates to gain the advanced education and training they need to meet the demands of today's employers.

My budget recommendations include \$10.5 million to implement these new education access tools.

WORKFORCE DEVELOPMENT

Making it possible for our young people to have access to a better and more advanced education is going to pay tremendous dividends for the generations to come.

But in the new world economy, we must ensure Missouri businesses have the kind of highly skilled workers they need to compete.

I am proud of the workforce development progress we have made.

Last year our workforce system helped 125,000 Missourians get jobs.

But even though we are using innovative practices such as one-stop career centers, our fragmented workforce system is not as efficient and user friendly as it could be.

Many Missourians who seek employment and training services are still being bounced from office to office to have their needs met.

During a one month period this summer, the same St. Louis employer received visits by job development representatives from three different state agencies that were all trying to help him find qualified people to fill his job openings.

This kind of duplication is a waste of time and money.

Therefore, we must take our approach to workforce development in a new direction.

Our administration wants to create a Division of Workforce Development.

According to our proposal, this new division will replace our existing Division of Job Development and Training that is under our Department of Economic Development.

All employment, training, and job matching functions from the Department of Labor and Industrial Relations will move to the new division.

This consolidation will be a huge improvement for both workers and employers.

Employers will find state workforce services to be more responsive to their needs, and Missourians will be better prepared for the jobs that are available in the labor force.

HEALTH

Missourians will need all the education and training they can obtain to meet the challenges of a new century, but they must be healthy if they are to be able to use their talents productively.

Last year I came to you on behalf of the thousands of children in our state who are not receiving the basic primary and preventive health care services they need.

These families had no health insurance and no realistic prospect of obtaining affordable health insurance.

But today, many of these families are breathing a sigh of relief because you approved our Children's Health Initiative last session.

Thanks to our new MC-Plus Program for Kids, 90,000 children with no health insurance and no prospect of getting health insurance can now have access to affordable health care.

In only four months of the program, we have already enrolled nearly 25,000 children.

Thousands of Missouri children whose lives were in danger have been rescued by the responsible action we took last year, and I commend you for your support of this program.

Unfortunately, the good health of many of our citizens is in danger because of another threat-smoking.

Tobacco use is the leading cause of cancer in this country, and Missouri has the second highest rate of tobacco use of any state.

Approximately 28 percent of all Missouri adults smoke.

Even more alarming, recent studies indicate that more than 40 percent of our state's teenagers smoke.

These statistics are taking their toll.

Tobacco use contributes to 28 deaths in Missouri every day.

And now we know that nicotine found in tobacco is often a "gateway" drug that leads our teenagers to other substance abuse.

That is why the work of every day heroes like Erika here is so important.

Ninety percent of all smokers started smoking before the age of 21.

So if we can stop teens from smoking before they start, we can make significant headway in bringing down both the human and health care costs of tobacco use.

Now, because of a recent legal development, we have a tremendous opportunity to save the lives of countless Missouri young people in future years.

The recent Tobacco Settlement that was reached will allow Missouri to recover a portion of the health care costs our state and taxpayers have incurred or will incur because of smoking and tobacco use.

I want to applaud the work of our Attorney General Jay Nixon for his leadership in reaching this monumental agreement.

However, litigation involving these funds is still pending.

Payments under the settlement are not expected to begin until the year 2000.

Before any settlement dollars come to Missouri, a final judgment must be obtained.

In addition, the federal government may try to recover these funds or dictate their use.

While we intend to fight this action, none of us can be certain of the outcome.

Therefore, we need to set this money aside until we are confident that these funds are, in fact, available to Missouri.

I ask you to establish a Tobacco Settlement Trust Fund, pending the outcome of the litigation and other uncertainties.

Its purpose will be to preserve these funds for future investments to support anti-teen smoking initiatives and to improve the health and

education of future generations.

Unless we can reduce the number of teens and young people who are smoking in Missouri, our taxpayers will continue to pay the huge financial and human price that is associated with tobacco.

The emotional well being of our citizens is just as important as their physical health.

When our citizens develop a serious mental illness, the necessary treatment they require can financially ruin their family.

The Joint Interim Committee on Mental Health Insurance Availability, co-chaired by Senator Jerry Howard and Rep. Mike Schilling, should be recognized for its examination of the accessibility of mental health services in Missouri.

I look forward to working with the committee members this session to see how we can improve both the quality and access to mental health services in Missouri.

PUBLIC SAFETY

In addition to preparing a healthier and better educated Missouri for a new century, we must ensure that our streets and neighborhoods are safe for our citizens.

During the six years of our administration, we have passed some of the toughest crime laws in the country.

Our new, tougher sentencing laws are helping to keep the most dangerous criminals behind bars and making juveniles that commit dangerous felonies serve adult sentences,

Partly as a result of tougher sentencing, we have experienced a great reduction in serious crime in Missouri.

Our new law passed last year to battle the evil producers and traffickers of the deadly drug methamphetamine is the toughest in the nation.

Other states are looking at our legislation as a model for their own approaches.

Our strong new laws to keep insidious sexual offenders under intense supervision for the rest of their lives are taking hold.

But we need to take some additional actions this session for the further protection of our citizens.

The law we enacted in 1994 requires sex offenders to register and provide information to local law enforcement agencies.

Currently, our citizens can only keep track of these criminals by contacting law enforcement offices or the State Highway Patrol's central registry during regular business hours.

To make this information more accessible to the public, we need to make it available on the Internet through our Department of Public Safety's home page.

Missourians going to that web page will be able to find out the offender's name, place of residence, date of birth, appearance, and criminal record.

We also need a juvenile sexual offender registry.

In 1997, 961 minors in our state were referred to juvenile court for sexual offenses.

But we currently have no law requiring the registration of juvenile sex offenders, even though this information would greatly assist the police and juvenile authorities in keeping our schools and our streets safe from dangerous sex offenders.

While we must maintain the confidentiality that is required by state law for young offenders, we need to require juvenile courts to maintain a registry of juvenile sex offenders.

State agencies would be required to share information.

TRANSPORTATION

A sound transportation infrastructure is crucial to Missouri's economic vitality and the safety of its motorists in a new century.

I, like many of you, am greatly disheartened by the financial insolvency of the 15-Year Plan.

Throughout my years of public service, I have been a strong advocate of a top quality transportation infrastructure for Missouri.

When the 15-Year Plan was under consideration in the legislature years ago, I came up here as Lieutenant Governor to lobby for its passage.

However, it is now clear that despite the good intentions of many people, the plan cannot be built with currently available revenues.

However, many of the projects in the 15-Year Plan remain crucial to Missouri's future.

And important new needs have emerged since the plan was originally drafted.

To protect and advance Missouri's economic health, we must find enough common ground to move forward in the development of a total transportation plan that has bipartisan support.

I fully recognize that we face major obstacles.

But we must keep working at it until we can achieve enough consensus to move forward.

And we must make real progress this year because delay will only cost more money, more lives, and more missed economic opportunities.

Among the more significant obstacles is the divisiveness over the regional allocation of transportation dollars.

The rural/urban split will continue to be a highly contentious issue-and an impediment to statewide progress-unless we can reach agreement on an allocation process that Missourians in all regions will view as fair.

The Highway and Transportation Commission has taken an important step toward addressing this matter.

It will soon establish a Rural/Urban Advisory Group to recommend changes that will increase public confidence in the way the Commission makes future rural/urban allocation decisions.

I urge all of you to lend your support to this important initiative.

STATE EMPLOYEES

During our administration, we have demanded much more of our state employees.

We have put a great deal of effort into eliminating government inefficiency in order to improve customer service.

But improved customer service in state government requires an experienced, dedicated, and productive workforce.

If we want high quality services, we must have high quality people providing those services.

So for my past six years as governor, we have taken steps to attract and retain the best state employees so we would not lose them to private industry.

This year is no exception.

For the fourth year in a row, I am recommending that our state employees receive marketplace salary increases.

While the percentage will vary depending on the salary relationship of the employee to the marketplace, most of our state employees will receive about a five percent increase.

As we continue to work to bring public sector salaries in line with the private sector, we should also work in other ways to place public employees on an equal footing with their private sector counterparts.

I hope this General Assembly will work to send me a bipartisan bill granting public employees the right to bargain collectively.

CONCLUSION

These are some of the major issues that I would like us to address this year.

And as we begin that work, I believe we can look to the every day heroes who have joined us today for inspiration.

Ashlee, Erika, and Laurie are heroes, not because of one single act of bravery.

But because they have found the courage to embrace goals that are bigger than any one person and the selflessness to work toward those goals every day of their lives.

Feeding sixty people day in and day out is not an easy task.

But Ashlee does it so that these children will have the nourishment they need to grow into strong adults.

Standing up against the peer pressure to smoke and working to convince others of the dangers of tobacco is difficult.

But Erika does it so that the teenagers in her community will be able to grow up to be healthy adults.

Teaching a class full of second graders every day and dealing with all their questions, problems, and enthusiasm is always challenging.

But Laurie is dedicated to helping them become productive, responsible adults.

Now is our time to be the heroes of our day-to embrace goals that are bigger than any one person, one party, or one branch of government.

Our state and our nation have just gone through another hard fought election campaign.

But that campaign is over, and the people have spoken.

Now the citizens of the State of Missouri expect us to work together on the issues that matter to them-good jobs, a better education and health care for their children, and a safe place to live.

This is not the time to speak of politics.

That time will come again, but it is not this day.

This is a time to do the people's business.

When I was elected governor, I made a commitment to the people of Missouri to do a good job on their behalf.

And that is what I intend to do.

I want to work with all of you in building on the tremendous accomplishments we have achieved in the past.

And so I ask that you join me in the spirit of bipartisan cooperation that has made those accomplishments possible.

Where there are questions, let us find answers.

Where there is emotion, let us find reason.

Where there are differences, let us find common ground.

May this sacred seat of government and the hallowed principles that shaped it, elevate our ideas and our conduct.

The people of the State of Missouri have entrusted us with their future.

We must not fail them.
